

MINUTES OF CABINET MEETING HELD 20 JANUARY 2014

PRESENT

Cabinet Members: Councillor Cereste (Chairman), Councillor Elsey, Councillor Fitzgerald, Councillor Holdich, Councillor North, Councillor Scott, Councillor Seaton and Councillor Walsh.

Cabinet Advisers: Councillor Casey, Councillor Goodwin and Councillor Todd.

1. APOLOGIES FOR ABSENCE

No apologies for absence were received.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES OF THE MEETINGS HELD 16 DECEMBER 2013

The minutes of the meeting held on 16 December 2013 were agreed as a true and accurate record.

STRATEGIC DECISIONS

4. COUNCIL TAX BASE, COLLECTION FUND SURPLUS AND BUSINESS RATES 2014/15

Cabinet received a report that formed part of the preparation for setting the Council's budget. The report needed to be considered so that figures for the tax base, the Collection Fund and the amount of business rates to be collected could be used in setting the Council Tax and business rate Income, and notified to other affected authorities.

Councillor Seaton introduced the report and highlighted that the net council tax base was 2% higher than the equivalent for 2013/14, the council tax collection fund was in balance despite both challenging economic conditions and the introduction of the council tax support scheme, and a surplus of £2.2m had been reported on the business rate collection fund, over half of which would be paid to government with the rest supporting the following year's budget.

It was further advised that the new business rate system required a calculation of the total non-domestic rate income for the year, and this was required to be submitted prior to the end of January. The form had yet to be released and therefore with Cabinet's agreement, the Executive Director Resources would submit the final return, ensuring its consistency with the earlier mid-year estimate, finalised for any emerging information.

Cabinet considered the report and **RESOLVED** to:

1. Endorse the calculation of the Council Tax Base for 2014/15 at a level of 51,054.03 Band D equivalent properties;

2. Note the estimated position on the Collection Fund balances as at 31st March 2014 of:

| | |
|----------------|--------------------|
| Council Tax | £0 |
| Business Rates | £2,204,026 Surplus |

3. Delegate to the Executive Director Resources responsibility for approving and returning the final NNDR1 return to the Secretary of State by 31st January 2014 to include any further revision to the business rates surplus 2013/14 and Business Rate income 2014/15.

REASONS FOR THE DECISION

The Council Tax Base could be set at a higher or lower level. However, this could have the effect of either inflating unnecessarily the amount of Council Tax to be set, or setting the tax at a level insufficient to meet the Council's budget requirements. A similar position could arise if the surplus or deficit were set at a higher or lower level.

The calculation and return of the information included in the NNDR1 was a statutory requirement which could be formally delegated to an officer. As with council tax if the amount of business rates estimated to be collected was increased or reduced or the surplus or deficit was set at a higher or lower level, then the amount of income available to the council will change with the consequent effect on service provision or council tax levels.

ALTERNATIVE OPTIONS CONSIDERED

The report covered calculations that were all prescribed by regulations with the effect that no other options needed to be considered.

5. COUNCIL TAX SUPPORT SCHEME 2014/15

Cabinet received a report following the consultation on proposals made at the meeting of Cabinet held on 16 December 2013. The report made a recommendation to Full Council on the Council Tax Support Scheme to be implemented in Peterborough.

Councillor Seaton introduced the report and highlighted that due to the Council being given less funding for council tax support, the estimated funding gap was around £2.4m and responsibility had been given to the Council for developing a local scheme.

For 2013/14, the Council had implemented a scheme which reduced benefit by 30% and in reviewing this scheme, it was clear that the financial challenges remained. It would not be possible to make the reductions in funding elsewhere without having a far greater impact on vulnerable people and it was therefore proposed that the scheme remained the same for 2014/15.

Consultation had been undertaken on this basis, with Councillor Seaton writing to a number of organisations who regularly came into contact with affected households. Subsequently a response had been received from the Citizen's Advice Bureau, which highlighted the 'Good Practice Protocol on Council Tax Recovery', which had been drawn up with the Local Government Authority. The protocol covered many areas of practice followed by the Council, and Cabinet were requested to approve its adoption.

The letter from the Citizen's Advice Bureau also stated that there were some concerns around whether council tax debts were being passed onto bailiffs too quickly, and those individuals who were struggling to pay their council tax were not being adequately supported. Councillor Seaton assured Cabinet that this was not the case and individuals were kept informed of council tax collection via letters and text messages, furthermore there had been no referrals to bailiffs so far.

Cabinet considered the report and **RESOLVED** to:

1. Recommend to the meeting of Full Council on 29 January 2014 that the Council Tax Support Scheme for 2014/15 should be the same as for the current year, keeping the reduction in benefit for working age claimants at 30%; and
2. Approve the adoption of the Citizen's Advice Bureau (CAB) good practice protocol for council tax collection.

REASONS FOR THE DECISION

The regulations required Full Council to approve the new Council Tax Support scheme. Any alternative to the proposed reduction in benefit would leave the Council facing significant additional costs.

ALTERNATIVE OPTIONS CONSIDERED

The alternative options available to the Council were:

- i) To do nothing. This was rejected because if the Council did nothing then the Council Tax Support Scheme for 2014/15 would remain exactly the same as the scheme for 2013/14 and would not reflect the legislative changes applied to other benefits under welfare reform and the annual uprating applied to benefits by central government; and
- ii) Somewhere in between, a lower than 30% reduction. This was rejected because absorbing any deficit from a shortfall in funding will impact on the services that the Council currently delivers, but would mean a lesser impact on benefit recipients.

6. OUTCOME OF PETITIONS

Cabinet received a report updating it on the progress made in response to petitions, in accordance with Standing Order 13 of the Council's Rules of Procedure.

Councillor Cereste introduced the report and highlighted that there had been a number of petitions received relating to the 'Children's Centres'.

Councillor Scott advised that due to the number of signatures received on one petition in particular, this being over 500, the issue was due to be debated at the next meeting of Full Council.

REASONS FOR THE DECISION

Standing Orders required that Council received a report about the action taken on petitions. As the petitions presented in the report had been dealt with by Cabinet Members or officers, it was appropriate that the action taken was reported to Cabinet, prior to it being included within the Executive's report to full Council.

ALTERNATIVE OPTIONS

Any alternative options would require an amendment to the Council's Constitution to remove the requirement to report to Cabinet.

Chairman
10.00am - 10.15am

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